

# FISCAL NOTE

## SB 1986 - HB 1898

March 14, 2005

**SUMMARY OF BILL:** Creates a loan-scholarship program to be funded with lottery scholarship funds, available to Tennessee residents attending public medical schools in Tennessee in exchange for up to four years of service in certain areas of medical need after completing medical school. The loan-scholarship graduate physician shall accept and treat at least 51% of his patients from enrollees of the TennCare program, or its successor programs, or medical assistance program, or the medically insured. Any students failing to comply with the agreement shall repay 150% of the full value of the public loan-scholarship to the state within three months of breaching the agreement.

### ESTIMATED FISCAL IMPACT:

**Other Fiscal Impact - Increases the expenditure of lottery proceeds earmarked for scholarships and grants by approximately \$202,000 in FY05-06 and approximately \$441,000 in FY06-07.**

#### Assumptions:

- Tuition and fees for FY2004-05 approximate \$17,011.
- Tuition and fees for subsequent years is calculated with a 10% increase each year.
- The cost of medical books averages \$1,450 per year.
- Ten students for each first year class.
- FY05-06 tuition of \$18,712 and \$1,450 books = \$20,162 per student x 10 students = \$201,620
- FY06-07 tuition of \$20,583 and \$1,450 books = \$22,033 per student x 20 students = \$440,660.

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director